SENATE BILL REPORT

SHB 2720

As Reported By Senate Committee On: Human Services & Corrections, February 23, 1996

Title: An act relating to consortiums of counties formed for the purpose of acquiring correctional facilities.

Brief Description: Allowing consortiums of counties to acquire correctional facilities.

Sponsors: House Committee on Corrections (originally sponsored by Representatives Ballasiotes, Schoesler, Sheahan, Fuhrman, Foreman, Mastin, D. Sommers, Sterk, Crouse, Campbell, L. Thomas, Silver, Morris, Cooke, Mulliken, Blanton, McMorris, Thompson and Elliot).

Brief History:

Committee Activity: Human Services & Corrections: 2/15/96, 2/23/96 [DP].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass.

Signed by Senators Hargrove, Chair; Franklin, Vice Chair; Kohl, Long, Prentice, Schow, Smith and Zarelli.

Staff: Andrea McNamara (786-7483)

Background: It has been suggested that consortiums of counties who organize to acquire or construct correctional facilities for adults or juveniles should be allowed to acquire property for this purpose from state agencies at a nominal cost rather than the full market value.

Under current law, however, the Public Lands Act requires that state property available through the charitable, education, penal, and reformatory institution (CEP&RI) account may only be transferred to other entities at full market value. The CEP&I account includes real property from the Department of Social and Health Services (DSHS) and other state agencies that is no longer needed for state-provided residential care, custody, or treatment purposes.

Regional projects have been discussed in which groups of counties would act together in acquiring shared facilities to meet the growing need for additional local corrections capacity. One such example is known as the Martin Hall project, on the Medical Lake campus of Eastern State Hospital. Nine counties have formed a consortium and have been negotiating with DSHS to acquire Martin Hall so they can convert it into a shared facility for housing juvenile offenders from the several counties.

Summary of Bill: When state property is being leased to a consortium of three or more counties organized for purposes of acquiring or constructing adult or juvenile correctional facilities, the property is no longer required to be transferred to the charitable, educational,

penal, and reformatory institution (CEP&RI) account. Accordingly, any such real property is not subject to the requirement that land in the CEP&RI account be transferred at full market value.

Consortiums of three or more counties may lease from state agencies, including the Department of Social and Health Services, lands for the purpose of building or acquiring correctional facilities for juveniles or adults. Any such lease may not charge more than \$1 per year for the land value or facilities value, but the lease may include provisions for repayment of any reasonable operation and maintenance expenses incurred by the state.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Allowing a county consortium to lease property directly from DSHS at a nominal cost--rather than at fair market value from the trust account--will benefit the state, the counties, and the communities who are in significant need of additional juvenile detention space. The Martin Hall project is an example of a partnership where everybody wins.

Testimony Against: None.

Testified: Representative Mark Schoesler, original prime sponsor; Kurt Sharar, WA Association of Counties (pro); K. Rosenberg, N.E. Tri-Counties (pro).

SHB 2720 -2- Senate Bill Report